

Mid America Recycling opposes Metro Waste Authority's \$24 million proposal of building MRF despite budget shortfalls from pandemic

DES MOINES, IA, June 15, 2020 (Press Release) - At Metro Waste Authority's (MWA) most recent board meeting, board members decided to continue with plans to build a \$24 million material recovery facility (MRF) despite expected budget shortfalls arising from the pandemic.

As the current contractor for MWA, Mid America Recycling (MAR) processes residential recyclables for all metro communities. MAR has vigorously opposed the proposed MRF from its inception because it duplicates existing services, increases costs, and demonstrates poor fiscal management of public funds.

"This proposed MRF is a 'vanity' project and not one based on sound fiscal management of public money," says Mick Barry, President of Mid America Recycling. "Poor money management by government in good times is bad, but during the upcoming economic recovery, it will be devastating."

In addition to the \$24 million cost to build the new MRF facility, MWA itself has reported the operating costs will be more than five times greater than the current contract with MAR. Another major global issue is all-time low sale prices of recyclable materials for several years now, with very few signs of near-term recovery. Combine these troublesome stats with the fact the MWA staff has little or no recyclable marketing experience, and it becomes clear that this proposed MRF is a huge financial gamble.

"The current contract between MWA and MAR is designed to protect the metro communities from these catastrophic market downturns and has enabled the current Curb It program to continue operations without disruption," confirms Barry. "MWA's mission has always been to take on issues that private business cannot or will not handle. That is simply not the case here."

A landfill fee increase has already been approved (effective 7/1/2020) to pay for the anticipated additional costs of the new proposed MRF. With this decision, MWA has made it evident that they will not pay for this ill-advised decision. Ultimately, taxpayers will bear the burden of this financially unjustified project. The hardest hit from this irresponsible fiscal decision will be businesses and industries, as they generate 75% of the waste materials subject to the new tip fees.

"We implore city officials to keep these monetary funds within our communities and consider what those millions of dollars could do for local budgets in a post COVID-19 taxpayer environment," Barry concluded.

About Mid America Recycling

Mid America Recycling, which is locally owned and operated, has handled over 750,000 tons since 1979. MAR has held the MWA recyclable processing contract for 27 years, successfully handling and marketing over 72,000 tons from MWA member communities. MAR has received 17,626 loads and rejected 0 loads of MWA recyclables despite the trash content increasing to 12% while industry standards still allow only 0.5% contamination.

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